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FM AMEMBASSY DAMASCUS
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SENSITIVE
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NEA/ELA
NSC - EABRAMS/MSINGH
TREASURY FOR GLASER/LEBENSON
EB/ESC/TFS FOR SALOOM
C O R R E C T E D C O P Y - PARA NUMBERS CORRECTED

E.O. 12958: N/A
TAGS: ECON ETRD ETTC SY
SUBJECT: EXPORT LICENSE APPROVAL FOR ICARDA IS IN USG INTEREST

NOT FOR INTERNET OR WEBGRAM DISTRIBUTION

¶1. (SBU) Summary: The International Center for Agricultural Research of Dry Areas (ICARDA), a not-for profit-organization headquartered outside Aleppo, has been unsuccessful in its most recent attempts to obtain a U.S. export license. Under the provisions of the Syria Accountability Act, a waiver for an export license for ICARDA could be approved if the commodity were interpreted to be "in support of activities, diplomatic or otherwise, of the USG." Post believes that substantial, long-standing USG financial support for ICARDA - via World Bank, USAID, and USDA funding - provides a firm basis for the waiver needed for the U.S. export licenses and urges positive consideration of the request. End Summary.

¶2. (U) Established in 1977, ICARDA is one of 15 centers located throughout the world and supported by the Consultative Group on International Agricultural Research (CGIAR). ICARDA is a not-for-profit, non-governmental center that conducts agricultural research and training aimed at alleviating poverty in developing countries. The USG has played a critical role in establishing ICARDA, by initially providing funding for ICARDA's precursor. Since ICARDA's establishment, the USG has contributed over \$103 million USD of direct funding through USAID and USDA, as well as substantial indirect funding through the World Bank. Moreover, ICARDA's location in Syria is solely due to the country's climate and topography, which are conducive to ICARDA's technical needs and research into dryland agriculture. It is not/not an agency of the Syrian government.

¶3. (SBU) Under the provisions of the SAA, there are several specific categories of items for which license applications can be reviewed on a case-by-case basis, one of which is for items "in support of activities, diplomatic or otherwise, of the USG." Since the SAA was implemented, ICARDA has been approved for two export licenses, one of which was argued to be "in support of USG activities" by USDOC/BIS.

¶4. (SBU) Post believes that ICARDA's mission to optimize sustainable agricultural production and contribute to the alleviation of poverty in dry areas not only supports USG policies and initiatives, but addresses a vital element - "creating global prosperity" - of the President's National Security Strategy. ICARDA has carried out its mission in several politically-charged locations central to U.S. national interests. For example, it has partnered with USAID to rebuild agricultural infrastructure and market supply chains in Afghanistan, provided "below the radar assistance" in the reconstruction of Iraq through the USAID Higher Education for Agricultural Development Program, and implemented a number of USDA projects under PL-480 (Food for Peace Program) to enhance food security and decrease

environmental degradation.

¶15. (SBU) ICARDA's most recent export license request, for ArcInfo GIS software, was returned without action. In response, ICARDA has pointed to projects in which an approved export license for

such software could be beneficial to USG interests. For example, it cites GIS land suitability studies in Iraq, a project called for by the Iraqi government, that will help support crop diversification, as well as a study requested by the World Food Program will identify food insecurity and vulnerability in the country.

¶16. (SBU) Comment: To our knowledge, no formal interpretation of "in support of USG activities, diplomatic or otherwise" exists, although it seems to us that under any reasonable definition, ICARDA's research would qualify. Since its establishment, ICARDA has enjoyed substantial levels of USG support, through World Bank, USAID, and USDA funding. We cannot imagine such funding over a prolonged period of time to an organization whose goals failed to converge with our own. Indeed, ICARDA's track record in nations central to the U.S. global war on terrorism such as Afghanistan and Iraq strongly support the contention that its research fully supports diplomatic and other activities of the USG. To penalize such an organization because of a geographic accident, i.e., its location in northern Syria chosen because soil and climate conditions are conducive to its important work, causes no discomfort to the Syrian regime, and invites criticism of our sanctions policy as indiscriminate. Post therefore requests the Department's assistance in providing ICARDA an export license exemption for items "in support of USG activities" that will set a precedent on which to base future license decisions, as well as support for more expeditious issuance of U.S. export licenses for ICARDA.

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